



FINANCIAL AID DEVELOPMENTS

By Kim Slote, policy analyst

TRAINING

On March 3, 2015, the USDE published an [Electronic Announcement](#): 2015 FSA Training Conference for Financial Aid Professionals. The conference will be held at the Mandalay Bay Hotel in Las Vegas, Nevada from Dec. 1-4, 2015. The focus of this conference includes statutory and regulatory changes to the following topics.

- Protecting Students' Privacy and their Loan Data
- Gainful Employment Rules
- 150% Direct Loan Sub Limitation
- Loan Repayment Options
- The Clery Act

Information on registration, lodging and travel will be available this summer at the following link:

<http://fsaconferences.ed.gov/lasvegas15.html>.

Dear Colleague Letter [ANN-15-06](#) was published by the USDE March 23, 2015: Webinar Recording – Implementation of Regulatory Changes to the Adverse Credit History Provisions of the Direct PLUS Loan Program. A recorded webinar discussing the COD System operational changes made for the new Direct PLUS Loan Program adverse credit history regulatory provisions is now available. An overview of the new

regulations and the impact on schools is provided in the webinar. The PowerPoint presentation associated with this webinar is available at the following link:

<http://ifap.ed.gov/presentations/attachments/PLUSLoanAdverseCredHistRegulatImplementWebinar031215Present.pdf>. The new regulations were implemented March 29, 2015.

FEDERAL PELL GRANT

The USDE published an [Electronic Announcement](#) March 6, 2015: Operational Implementation Guidance – Federal Student Aid's Implementation of 2015-2016 Federal Pell Grant Payment and Disbursement Schedules. This announcement covers important information about system, Web and software modifications that are being made to reflect the 2015-2016 Federal Pell Grant payment and disbursement schedules. There will be changes implemented with the Central Processing System, the ISIR Analysis Tool, the Common Origination and Disbursement System and the EDEExpress for Windows software. Anticipated completion dates for the updates and the operational impact to those systems is outlined in the announcement.

An [Electronic Announcement](#) was published by the USDE March 11, 2015: First Pell Grant Administrative Cost Allowance



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Payments for 2014-2015 Award Year. The announcement explains which students a school is eligible to receive ACA payments for and indicates the funds may only be used to defray the costs of administering the Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Work-Study and Federal Perkins Loan programs. The USDE began processing ACA payments for all schools on March 9, 2015, and includes those records processed by the COD System beginning July 1, 2014. Funds for ACA payments will be deposited into school bank accounts over the next few weeks. Contact information is provided for those schools that need assistance regarding their ACA payments.

A [Federal Register Notice](#) was issued by the USDE March 23, 2015: Request for Comment: Federal Pell Grant Program COD Reporting. The USDE is requesting comments on proposed, revised and continuing collections of information. Comments must be submitted on or before May 22, 2015.

ALIEN REGISTRATION NUMBERS

The USDE published an [Electronic Announcement](#) March 9, 2015: Procedures to follow When Adding or Changing Alien Registration Numbers. The USDE reports there have been a number of unnecessary G-

845 forms completed and submitted by Financial Aid Administrators to the U.S. Department of Homeland Security, to confirm eligible noncitizen status of students. This announcement is a reminder to schools of the proper procedures to follow when adding or correcting a student's Alien Registration Number on the Free Application for Federal Student Aid. Additionally, clarification is provided on data matches with the DHS and Social Security Administration, procedures for comment codes and C flags on the ISIR and the appropriate time to complete a G-845 form.

LOAN RECORD DETAIL REPORT

On March 11, 2015, the USDE published an [Electronic Announcement](#): Loan Record Detail Report Import Tool. The NSLDS [LRDR Import Tool](#) is now available. This import tool is designed to help schools review and analyze their LRDR extract files and make it easier to load data generated into a Microsoft Excel spreadsheet. Information on an LRDR is used to calculate a school's draft or official cohort default rate and is part of the eCDR notification package. Schools can request an LRDR on an ad-hoc basis on the [NSLDS Professional Access Website](#).



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FSA DEADLINES

A [Federal Register Notice](#) was issued by the USDE March 11, 2015: CPS/FAFSA and COD Deadline Dates for the 2015-2016 Award Year. Deadline dates for the 2015-2016 Award Year are provided for reports and other records associated with the FAFSA, Federal Pell Grant Program, Direct Loan Program, TEACH Grant Program and Iraq and Afghanistan Service Grant Program. Table A and B attached to this Federal Register Notice outline required submittals with dates due.

REFERENCE GUIDES

The updated reference guides below were published by the USDE in the month of March. The guides listed are linked with the corresponding electronic announcements with the dates of publication.

- [Foreign Schools Handbook – March 12, 2015](#)
- [Volume 4 – Processing Aid and Managing FSA Funds \[2015-2016 FSA Handbook\] – March 19, 2015](#)

FORMS

An [Electronic Announcement](#) was published by the USDE March 12, 2015: School Responsibilities Upon Receiving Paper In-

School Deferment Forms. Due to an increased number of paper in-school deferment form requests sent to schools, the USDE issued this announcement to clarify school responsibilities and give guidance to Title IV Federal Loan Servicers. Since schools are now required to conduct enrollment reporting at least every 60 days, servicers can rely on having timelier enrollment information. All Title IV loan servicers are authorized to grant an in-school deferment or in-school status based on a borrower's enrollment information in NSLDS. The only time servicers should send a paper in-school deferment request to schools is when a borrower's enrollment information cannot be verified using NSLDS. Additional information and instructions are provided in the announcement.

Two Federal Register Notices were issued by the USDE requesting comments on changes to proposed, revised and continuing collections of information. Comments must be submitted on or before May 12, 2015 for both forms. Links to the Federal Register Notices are below with the corresponding publication date.

- [Comment Request for DL/FFEL Mandatory Forbearance Forms – Federal Register Notice - March 13, 2015](#)



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- [Comment Request for DL/FFEL Deferment Forms – Federal Register Notice – March 13, 2015](#)

UNUSUAL ENROLLMENT HISTORY

Dear Colleague Letter [GEN-15-05](#) was published by the USDE March 16, 2015: 2015-2016 Unusual Enrollment History Flag. The selection of 2015-2016 FAFSA applicants for an Unusual Enrollment History Flag has changed. This DCL describes those changes and informs institutions of their responsibilities in resolving those flags. Starting with the 2015-2016 FAFSA processing year, applicants selected for a UEH Flag have been expanded to consider those who have received a Federal Direct Subsidized or Unsubsidized Loan. The evaluation period now covers the last four award years, instead of three.

EDUCATIONAL TAX BENEFITS

On March 17, 2015, the USDE published an [Electronic Announcement](#): Sharing information on educational tax benefits with students and families. Federal tax code includes several provisions devised to reduce or partially offset higher education costs for students and families, to include the American Opportunity Tax Credit and the Lifetime Learning Tax Credit. However,

many students and families don't take advantage of tax credits that could save thousands of dollars. To further inform those who would benefit, the IRS has developed a flyer for high schools and college financial aid offices to use in alerting students of potential tax benefits. A copy of the flyer "Students and parents – Why Form 1098-T is important to you?" is attached to this announcement in PDF format. High school and college counselors, advisors and financial aid administrators are asked to make these flyers as widely available as possible for students and families.

THE ORANGE BOOK

The USDE published an [Electronic Announcement](#) March 23, 2015: Federal Perkins Loan Program Status of Default as of June 30, 2014 (Orange Book). [The Orange Book](#) is a report that provides a cohort default rate for each school that participated in the Federal Perkins Loan Program during the 2013-2014 Award Year. Information in the report is based on data provided by schools in the Fiscal Operations Report for 2013-2014 and Application to Participate for 2015-2016. Schools listed on the report are organized alphabetically by state or territory.



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INCOME CONTINGENT REPAYMENT PLAN

A [Federal Register Notice](#) was issued by the USDE March 25, 2015: Annual Updates to the Income Contingent Repayment Plan Formula for 2015-Direct Loan Program.

Annual updates to the income percentage factors for the ICR plan formula will affect how monthly ICR payment amounts will be calculated for the 2015-2016 year. The adjustments are in effect from July 1, 2015 to June 30, 2016 for any borrower entering the ICR plan or having their monthly payment amount recalculated during that period. Attachments in the notice are provided below.

- Attachment 1--Income Percentage Factors for 2015
- Attachment 2--Examples of the Calculations of Monthly Repayment Amounts
- Attachment 3--Charts Showing Sample Repayment Amounts for Single and Married Borrowers

LOAN SERVICING

On March 26, 2015, the USDE published an [Electronic Announcement](#): Loan Servicing Information-First Quarter's Customer Service Performance Results. This announcement provides the first quarter (ending Sept. 30, 2014) results for servicer

performance measured annually in the areas of customer satisfaction and default prevention. Each servicer's allocation of future loan volume is determined by these results when applicable. Attachments to the electronic announcement include the following:

- Explanation of Customer Service Performance Measure Methodology
- Quarterly Customer Service Performance Results for FedLoan Servicing (PHEAA), Great Lakes Educational Loan Services, Inc., Navient and Nelnet – Quarter Ending Sep. 30, 2014
- Quarterly Customer Service Performance Results for Not-For-Profit (NFP) Members of the Federal Loan Servicer Team – Quarter Ending Sep. 30, 2014

On March 26, 2015, the USDE published an [Electronic Announcement](#): Loan Servicing Information-Second Quarter's Customer Service Performance Results. This announcement provides the second quarter (ending Dec. 31, 2014) results for servicer performance measured annually in the areas of customer satisfaction and default prevention. Attachments to the electronic announcement include the following:

- Explanation of Customer Service Performance Measure Methodology



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- Quarterly Customer Service Performance Results for FedLoan Servicing (PHEAA), Great Lakes Educational Loan Services, Inc., Navient and Nelnet – Quarter Ending Dec. 31, 2014
- Quarterly Customer Service Performance Results for Not-For-Profit (NFP) Members of the Federal Loan Servicer Team – Quarter Ending Dec. 31, 2014

NACIQI

The USDE published a [Federal Register Notice](#) March 27, 2015: National Advisory Committee on Institutional Quality and Integrity (NACIQI) Meeting. This notice outlines the agenda for the June 25-26, 2015, meeting of the NACIQI. It also provides information to the public about submitting written comments and requests to make oral comments at the meeting. The location of the meeting will be published in the Federal Register and on the USDE's website by May 25, 2015. The NACIQI will be reviewing accrediting agencies and State approval agencies for Secretarial recognition. A list of the agencies requesting recognition is provided in the Federal Register identifying the scope of recognition being requested. The meeting agenda will also include presentations to further inform the Committee about current issues and discussions concerning accreditation and to

discuss recommendations developed in preparation for the reauthorization of the Higher Education Act.

CAMPUS-BASED PROGRAMS

An [Electronic Announcement](#) was published by the USDE March 27, 2015: 2015-2016 Federal Work-Study Program Community Service Waiver Requests. Schools are required to expend at least seven percent of their total FWS federal allocation to compensate students employed in community service activities. If a school is unable to meet certain expenditure requirements of the FWS Program, they can request a waiver from the USDE. This announcement gives information on what those requirements are for the FWS Program and how to request a waiver. The waiver request must be submitted by 12:00 midnight April 27, 2015.

G5 WEBSITE OUTAGE ALERT

The USDE published an [Electronic Announcement](#) April 2, 2015: OUTAGE ALERT - G5 Website Outage April 29-May 4, 2015, Impact to Federal Student Aid Processing and on Funds Availability for Title IV Programs. The USDE will be performing extended system maintenance to its core financial systems from 9:00 P.M. (ET) April 29 through 6:00 A.M. (ET) May 4, 2015, including G5. Schools will not be



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able to draw down funds for the following programs during the outage.

- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant
- Federal Work Study
- Teacher Education Assistance for College and Higher Education Grant
- William D. Ford Federal Direct Loan
- Iraq and Afghanistan Service Grant

Important information is provided in the announcement regarding Common Origination and Disbursement System processing.